

October 14, 2002

MEMORANDUM

TO: Human Resources Officers
All State Agencies

FROM: Richard T. Lowe, Director
Financial Operations Division
Office of Financial Management

SUBJECT: Updating New Year Coding Blocks for 1996 Early Out Sick Leave Payments and LTD related FICA Charges

The purpose of this memorandum is to remind agencies to verify that DCDS/HRMN coding blocks are still valid for FY 2002-2003. Human Resources offices must review coding blocks assigned to employees receiving the following payments:

- Sick leave payments being made to retirees who separated under the 1996 "Early Out" retirement program
- Employer FICA charges on payments to employees on LTD

The appropriation year in the coding block for departed employees has automatically been changed to "03". If this change is the only one required for your affected employees, no further action is needed.

You must process a HRMN or DCDS standard payroll distribution change transaction if any of the following conditions exist:

- The coding block is no longer valid
- The coding block should no longer be charged for sick leave payments or FICA on LTD
- The coding block needs to be different than the standard coding block
- The appropriation year should be other than "03"

Timing

- Early Out Sick Leave Payments:

To be effective for October 2002 payments, agencies must process any needed updates by **October 19, 2002**. Departed employees are listed in the attached *1996 Early Retiree Coding Block Report*.

- LTD FICA Coding:

To be effective for fourth quarter LTD processing (Oct. – Dec. 2002), agencies must process updates by **December 31, 2002**. Departed employees are listed in the attached *LTD Coding Block Report*.

Establishing New Year HRMN Coding:

Before agencies can assign new year coding blocks (index or index/PCA combination) to employees in HRMN, the coding blocks must exist in the HRMN accounting units table (GL20.1). Updates to the GL20.1 should be processed for any new year coding blocks that do not already exist. Update requests should be addressed to Stephanie Hatcher, Office of Financial Management, Central Payroll Section.

If the employee will be charged to a different coding block in the new year (than was used in the old year) agencies must assign the new year coding block in HRMN, using a personnel action (PA52, action code:

CODINGBLCK). Detailed instructions for processing personnel actions have been incorporated in the HRMN Step Action Tables located on the Web at <http://intra.state.mi.us/HRMN>.

Establishing New Year DCDS Coding/Crosswalks:

Agencies will need to change the new year coding if the position will be charged to a different coding block in the new year (than was in the old year) or the appropriation year on the new year coding block should be other than "03". There are two methods for establishing/changing new year coding in DCDS:

- Standard Distribution update coding on-line. These updates establish/change the new year coding for individual employees. Detailed instructions for processing DCDS Standard Distribution changes are included in the MAIN HRS Procedures Manual, Section 14.13. The manual can be accessed via the Web at <http://mainweb.state.mi.us/>
- Mass Standard Distribution will be batch processed. This window allows user to change multiple default coding for multiple employees using a single transaction when those employees share common coding values. Detailed instructions for processing DCDS Standard Distribution changes are included in the MAIN HRS Procedures Manual, Section 14.14. The manual can be accessed via the Web at <http://mainweb.state.mi.us/>

DCDS allows agencies to establish crosswalks with the following criteria: Coding Block Crosswalk and TKU Crosswalk. The Coding Block Crosswalk is the only option that allows for crosswalks to be established by Agency Pay Type Group. These crosswalks are located under the *Parameters, Financial Data* menu. Agencies will need to establish new year crosswalks if the crosswalk will be different in the new year (than was in the old year) or the appropriation year on the new year crosswalk should be other than "03".

Additional DCDS coding that should be reviewed and updated for changes include: Project/PCA Combination and CB Elements by Dept/Agcy/TKU. Agencies will need to establish new year coding elements if the coding element will be different in the new year than it was in the old year or the appropriation year on the new year coding element should be other than "03". If changes are necessary, the new coding blocks must be established in R*STARS before they can be assigned using the CB Elements by Dept/Agcy/TKU update window.

If you have any questions, please contact the HRMN Payroll Service Center at (517) 241-5959 (Option 4), submit a Remedy Ticket or search the Knowledge Base at the HRMN Support Portal.

Attachments

Cc: Chief Accountants
TABS Staff

M. Moody
FOD Staff

FCD Staff
D. Simon, DIT